



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

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October 19, 2018

Kent Hoffman
Deputy State Director, Minerals and Lands
Bureau of Land Management
440 West 200 South, Suite 500
Salt Lake City, Utah 84101

Subject: SUFCO Green's Hollow and Quitchupah Lease Modifications (UTU-84102 and U-63214)

Dear Mr. Hoffman:

I have reviewed the Fair Market Valuation Report regarding the Modifications to Federal Leases UTU-84102 and U-63214. The details contained in the report are satisfactory for me to offer Utah's support in favor of the BLM's proposed action of moving forward with the lease modifications at the Fair Market Value used for the Green's Hollow Lease. The State is also in agreement that the payment should be made for actual tonnage mined concurrent with the schedule of payment for production royalties (pay-as-you-go).

If you have any questions regarding this matter, please contact Dana Dean at 801.538.5320.

Sincerely,

John Baza
Director

JRB/DD/sqs
cc: Daron Haddock